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*The Economic Causes of Great Fortunes.* By ANNA YOUNGMAN. New York: The Bankers Publishing Co., 1909. 8vo, pp. 185.

This book is meant chiefly to set forth two opinions. First, in the making of great fortunes—as by Astor, Gould, Rockefeller, or Morgan—very great importance (impliedly, chief importance) must be ascribed to “mere personal” factors—causes resulting in gain “irrespective of personal activity,” such as the ignorance of Indians in Astor’s case, and their widely different standards of value; mere magnitude of resources enabling men to take advantage of panics to buy out bankrupt enterprises; favors from railways; the ability to “manipulate” prices in the stock market, etc. Second, there is no necessary connection between individual gain and social service. In the formation of the United States Steel Corporation, for example, the main purpose was to prevent a war of large financial interests (Morgan, Rockefeller, Carnegie and others) without much regard to social efficiency. Miss Youngman insists that those economists are wrong who try to prove that the entrepreneur’s profits “are determined by his contribution to industries, essentially as is the value of any skilled service,” and she concludes with a suggestion that, as the concentration of wealth continues, some great measure of regulation may probably grow out of the popular conviction that the winnings of the man of wealth are not justified.

The author has admirably pointed out the principle of analysis by which an investigation of this subject should proceed, yet certain of her conclusions seem questionable. In Astor’s Indian trade the damage doubtless exceeded the social advantage, if (as honest Pokagon tells us) whiskey exceeded all other goods invoiced in the old books at Mackinack, and if (by that same witness) there was among Astor’s Indian customers not one exception in a hundred to the general rule of drunkenness. But this question of social advantage or loss is distinct from the question in social dynamics whether the effective power was personal or fortuitous. Miss Youngman’s excellent sketch of Astor’s career shows abundantly the shrewdness, energy, bold and far-seeing power to plan, by which he alone rose to chief eminence from among the other similarly impecunious trappers and traders; he furnished a conclusive measure of these personal factors by that very comparison. The wise choice of a field for personal effort was itself a “personal factor.” If some wise redskin had profited by that same inter-racial exchange, the historian of his tribe might perhaps have explained—not without reason—that he gained through the Caucasians’ ignorance that six knives, a half-pound of beads, or four pounds of shot are really worth more than a beaver-skin. It is easy to understand that exceptional knowledge may enable a capitalist like Mr. J. P. Morgan to profit by fluctuations in the prices of securities, but as to designedly precipitating panics, large or small, Mr. Morgan’s position is based on the confidence of many investors that his leadership will result in safety to their several companies; if he made a practice of sending prices up and down, in disregard of essential market conditions, his leadership could not last. It does not seem probable that the most impressive manifestation of confidence bestowed in our time by business men upon any man of business is confidence in a gambler who profits by sacrificing the fortunes of the investors who trust him. The consolidation of steel properties in the United States Steel Corporation, did, no doubt, prevent a “war of financial interests,” but this would have taken the form of excessive construction of steel

mills and overcompetition—impossible without waste of capital and loss of social efficiency. Mr. Rockefeller's success is perhaps due most of all to one intellectual achievement. He realized clearly (as Karl Marx did) the approach of that revolution by which the large-scale industry, employing capital in abundance, must supplant the small establishment. His competitors generally failed to realize the necessity, insisted on trying to maintain their "independence," and rejected the advice to consolidate while he through partnerships, as well as borrowing, procured the capital necessary for the only effective system. By this distinctly personal factor of clear vision the Standard was able to prevail—for example to provide pipe-lines in Kansas when its rivals, from ignorance or insufficient capital, undertook the impossible task of carrying on business without them.

The task which Miss Youngman has undertaken is perhaps the most useful service which an economist can perform at a time when concentrated wealth is the chief subject of popular agitation and public policy. It is to be hoped that the work will be continued on an ampler scale. The present volume is very suggestive but many more pages and more detailed analysis are needed to make it conclusive.

A. P. WINSTON

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*Statistical Abstract of Foreign Countries.* Parts I-III. Statistics of Foreign Commerce. Bureau of Statistics. Washington: Government Printing Office, 1909. 8vo, pp. 446.

Those who have watched the steady growth of the *Statistical Abstract* in recent years will be glad to note the appearance of the first regular issue of this new publication. The present parts cover foreign commerce only. Part I gives total imports and exports of merchandise and gold and silver into and from the principal countries for a considerable period of years; Part II gives the imports and exports of the principal countries, in recent years, by countries; Part III gives the imports and exports of the principal countries, in recent years, by articles. Subsequent parts are announced to cover population, production of leading staples, shipping, public revenue and expenditure, railroads, monetary and banking statistics, etc. An index should be added.

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*Digest of State Banking Statutes.* Compiled by SAMUEL A. WELLDON. National Monetary Commission, Sen. Doc. No. 353, 61st Cong., 2d session. Washington: Government Printing Office. 8vo, pp. 746.

There is here collected a digest of the banking laws of the forty-six states, without any attempt to add the interpretations of the courts. Three extended tabular summaries of results are given. The table of contents presents the same subheads for each state; but there is no general index.

The difficulties due to lack of uniformity were prodigious; but the outcome is creditable and valuable for general reference. The volume, however, is little more than a finding list; because the digest is necessarily condensed, and final resort must be had to the statutes themselves. This fact is fully recognized by the author. On the other hand, the compilation enables the reader to get